

DAILY MARKETS OVERVIEW

13 SEPTEMBER 2018

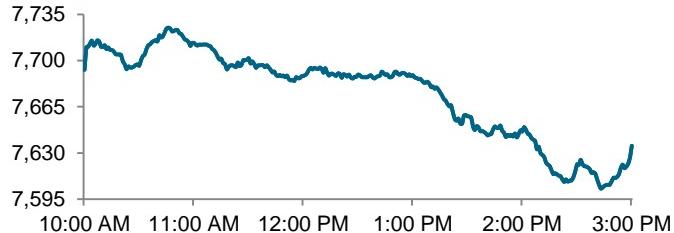
السعودي الفرنسي كابيتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,635	-0.7	-0.7	5.7	16.9
Saudi (NOMU)	2,520	-2.4	-1.8	-19.7	8.5
Energy	4,671	-1.6	-2.0	9.1	16.2
Materials	5,520	-0.8	-0.6	9.2	17.7
Capital Goods	3,655	-1.2	-2.0	-15.8	NA
Com. & Prof. Svc	4,472	-0.7	-0.6	6.3	19.5
Transportation	3,692	-1.7	-3.5	-8.0	22.8
Cons. Durables & Apparel	3,608	-1.6	-2.9	-12.9	NA
Consumer Services	3,052	-1.7	-4.1	-17.2	17.6
Media	12,005	-1.0	0.7	55.2	NA
Retailing	6,099	-1.7	-0.7	8.3	23.2
Food & Staples Retailing	5,483	-0.9	-2.4	-2.3	41.0
Food & Beverages	4,109	-1.9	-0.8	-16.1	26.8
Health Care Equipment	3,960	-1.3	-0.7	-10.9	19.1
Pharma, Biotech & Life Science	4,057	0.5	-0.5	2.2	26.0
Banks	6,616	-0.7	-0.8	20.2	12.2
Diversified Financials	3,471	-0.5	-2.2	-13.9	NA
Insurance	3,761	-1.1	1.2	-20.4	31.0
Telecommunication	4,979	0.3	2.3	17.1	NA
Utilities	3,658	-1.1	-1.7	-19.8	NA
REITs	3,659	-0.3	-0.8	-21.0	NA
Real Estate	3,364	0.3	-1.3	-28.4	27.5

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
The Mediterranean & Gulf Insurance & Reinsurance Co.	16.00	5.3%	8.1
Bonyan REIT	9.40	3.8%	0.4
Saudi Steel Pipe Co.	21.40	2.9%	30.7
Methanol Chemicals Co.	10.96	2.1%	37.3
Al Alamiya for Cooperative Insurance Co.	36.30	1.8%	12.7

Source: Tadawul

Upcoming General Assembly Meetings

Company	Date
Mouwasat Medical Services Co.	17-Sep-18
United Electronics Co.	18-Sep-18
Fawaz Abdulaziz Alhokair Co.	25-Sep-18
Saudi Investment Bank	26-Sep-18
Abdullah Al Othaim Markets Co.	26-Sep-18
Middle East Specialized Cables Co.	27-Sep-18

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of September 13, 2018

(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.7% lower at 7,635 while NOMU ended 2.4% lower at 2,520 on Wednesday. TASI traded value totaled SAR 2.3bn and averaged SAR 2.5bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 51.3% of the daily traded value.
- Banks and Materials ended 0.7% and 0.8% lower, respectively. Telecom ended 0.3% higher. Pharma, Biotech & Life Science (up 0.5%) was the best performer. Among stocks, The Mediterranean & Gulf Insurance & Reinsurance Co. (8030/MEDGULF AB), Bonyan REIT (4347/BONYAN AB), and Saudi Steel Pipe Co. (1320/SSP AB) led the gainers.
- KSA tightened the price guidance of a planned sale of USD 2.0bn (SAR 7.5bn) in public Islamic bonds to 130–135 basis points over mid-swaps. Citi (C US), HSBC (HSBA LN), and JPMorgan (JPM US) are working as global coordinators for the issuance. (Source: Zawya)
- The Ministry of Energy, Industry and Mineral Resources seeks to generate 160,000 jobs in the mining sector by 2030. The Ministry's 42-initiative strategy is aimed at restructuring the mining sector and raise its contribution to GDP to USD 64.0bn (SAR 240bn) from USD 17.0bn (SAR 63.8bn). (Source: Argaam)
- As per Bloomberg report, the Public Investment Fund (PIF) would sign a USD 11bn (SAR 41.2bn) loan this week. The first commercial loan of PIF would be priced at 75 basis points over Libor, or just below 90 basis points, including fees. (Source: Argaam)
- Saudi Aramco awarded a contract to China Harbour Engineering Arabia for the construction of two drilling islands under the company's Berri Increment Programme. (Source: Argaam)
- Jabal Omar Development Co. (4250/JOMAR AB) obtained the initial licensing to sell 741 off-plan hotel units in the third phase of the Jabal Omar Address Makkah project. (Source: Argaam)
- The UK unit of Saudi Agricultural & Livestock Investment Co. (SALIC) is close to acquiring Ukraine's Mriya Agro Holding Plc. The acquisition would take the SALIC-operated farming area in Ukraine to over 200,000 hectares. (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
United International Transportation Co.	26.30	-6.4%	41.7
Gulf Union Cooperative Insurance Co.	13.30	-6.2%	6.6
Saudi Cable Co.	23.36	-4.3%	0.5
Malath Cooperative Insurance and Reinsurance Co.	12.28	-4.1%	6.5
Saudi Fisheries Co.	20.22	-3.8%	11.3

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Alinma Bank	19.74	-1.0%	408
Saudi Basic Industries Corp.	119.00	-0.7%	348
Dar Alarkan Real Estate Development Co.	9.06	-0.4%	197
Al Rajhi Bank	84.00	-0.2%	139
Saudi Kayan Petrochemical Co.	16.50	-1.1%	93

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,810	-0.8	-0.6	-16.6	7.5
Abu Dhabi (ADX)	4,934	-1.2	0.3	12.2	13.2
Kuwait (KSE)	5,205	-0.3	-2.3	1.5	16.1
Qatar (QE)	9,990	0.6	1.7	17.2	14.7
Oman (MSM)	4,531	1.0	2.2	-11.2	11.0
Bahrain (BSE)	1,341	-0.2	0.0	0.7	9.1
DJMENA Index	556	-0.5	-0.1	5.7	NA

Source: Bloomberg, Reuters

GCC & Global Markets Update

- US markets ended mixed on Wednesday. S&P 500 ended flat while NASDAQ declined 0.2%. Dow Jones Industrial ended 0.1% higher. In Europe, both UK and Germany ended 0.5% higher, while France closed 0.9% higher.
- Asian markets are trading in green on Thursday. China is trading flat. Japan and South Korea are trading 0.9% and 0.1% higher, respectively. Hong Kong is up 1.2%, while India is closed for trading.
- GCC markets ended mixed on Wednesday. Dubai decreased 0.8% while Abu Dhabi ended 1.2% lower. Kuwait declined 0.3% while Qatar closed 0.6% higher. Oman closed 1.0% higher while Bahrain declined 0.2%.
- According to US EIA Petroleum status report, weekly change in crude oil inventories were down 5.3mn barrels for the week ended September 7 (prior: -4.3mn barrels). (Source: Econoday)
- The OPEC stated that world oil demand in 2019 would rise by 1.41mn barrels per day (bpd), 20,000 bpd less than last month and the second consecutive reduction in the forecast. (Source: Zawya)
- Moody's revealed that Kuwait, Abu Dhabi and UAE are the highest rated EM sovereigns at Aa2, but overall, Africa and Middle East region has the largest number of EM sovereigns rated below investment grade. It further added that EMs are increasingly forming a larger part of the investment space. (Source: GulfBase)
- The UAE will implement a new VAT refund system for millions of tourists from November. The Federal Tax Authority (FTA) will initially make the VAT refund system available at airports in Dubai, Abu Dhabi and Sharjah. (Source: Arabian Business)
- Dubai Chamber signed an agreement with the Shanghai Federation of Industry and Commerce aiming to facilitate bilateral trade and investment between the UAE and Chinese business communities and encourage knowledge sharing. (Source: Trade Arabia)
- Abu Dhabi Fund for Development (ADFD) approved a USD 33mn (AED 121mn) loan for the development of a waste-to-energy facility in Sharjah. The plant will have the capacity to generate around 30 MW of energy and would be completed by early 2021. (Source: Arabian Business)
- Bahrain is set to revamp two major highways linking the Isa Town and Riffa areas besides the construction of a flyover at the junction of both roads as part of a planned facelift. (Source: Trade Arabia)
- Sa'ada, a waterfront project being developed by Bahrain Real Estate Investment Company (Edamah) in the Muharraq area of the country, at an investment of BHD 45mn (USD 119mn), is on track for 2019 launch. (Source: Trade Arabia)

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	79.7	0.9	3.8	19.2	48.1
Natural Gas (\$/mmbtu)	2.8	0.1	1.9	0.8	-4.4
Gold (\$/oz)	1,206	0.6	0.8	-7.7	-9.1
Silver (\$/oz)	14.3	0.8	0.5	-16.5	-19.9
Platinum (\$/oz)	800	1.0	2.1	-14.1	-19.4
Copper (\$/t)	5,981	2.4	1.1	-17.0	-11.1
Zinc (\$/t)	2,359	2.5	-2.6	-29.3	-23.4
Lead (\$/mt)	1,981	0.6	-2.7	-20.6	-12.3
Wheat (\$/bu)	507	-2.3	-0.9	8.8	-1.9
Corn (\$/bu)	353	-3.9	-4.0	-8.2	-11.6
Sugar (\$/lb)	12.0	0.0	9.0	-21.1	-25.0

Source: Bloomberg

Coming Up

- US jobless claims for the week ended September 8 (prior: 203K; consensus: 210K) will be announced today. (Source: Econoday)
- Change in US's CPI for August 2018 (prior: 0.2% M/M, 2.9% Y/Y; consensus: 0.3% M/M, 2.8% Y/Y) will be announced today. (Source: Econoday)
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended September 14 (prior: -5.3mn barrels) will be announced on September 19. (Source: Econoday)

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.33	0.00	0.64	0.00
Saudi Arabia	2.63	0.00	0.73	0.30
UAE	2.61	0.08	0.82	0.28
Kuwait	2.00	-0.06	0.13	-0.33
Qatar	2.65	0.00	0.00	0.32
Bahrain	3.53	0.00	0.80	1.19

Source: Reuters

NOTES:(1) Prices updated as of September 13, 2018(2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate



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